

Household Removals Insurance

Product Disclosure Statement and Policy Wording



Household Removals Insurance (Domestic and Overseas)

Product Disclosure Statement

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Welcome to Vero

Vero Insurance Limited ABN 48 005 297 807, AFS Licence No. 230859 (Vero) is the insurer, and issuer of the insurance policy and this Product Disclosure Statement (PDS).

In Australia, Vero is part of a group that can trace its origins back to 1833. Since then we have successfully protected our customers' personal and business assets by operating with a depth of knowledge and a reputation for promises kept. Built on these solid foundations, Vero now provides dynamic and forward thinking solutions for all our customers.

The Vero brand is based upon a single premise – to provide our customers with certainty and peace of mind, through innovative, specialised and expert insurance offerings.

Vero National Marine is a division of Vero. We are marine insurance industry specialists, delivering a wide range of innovative insurance solutions for the marine and transport sectors.

The purpose of the PDS

The purpose of the PDS is to help you understand the insurance policy and provide you with sufficient information to enable you to compare and make an informed decision about insurance products.

The PDS also sets out the significant features, benefits and risks of this policy. You still need to read the policy wording for a full description of the terms, conditions and limitations.

How you contact us

About a claim – please phone our claims toll-free number: 1300 664 201, or (61 2) 9295 4422 if calling from overseas, or you may fax us on (61 2) 9295 4222. Preliminary advice of a claim can also be sent to our email address, marine_claims@vero.com.au.

About your policy – please contact the person with whom you arranged the policy.

You can contact Vero Insurance Limited through one of our Vero National Marine branches:

New South Wales	Victoria	Queensland	South Australia	Western Australia
Locked Bag 25	PO Box 294	GPO Box 537	GPO Box 1619	PO Box B78
Australia Square	Collins St West	Brisbane	Adelaide	Perth
NSW 1215	VIC 8007	QLD 4001	SA 5001	WA 6838
(02) 9295 4422	(03) 9245 8300	(07) 3246 6111	(08) 8205 5175	(08) 9211 4199

You can also visit our web-site at www.veronationalmarine.com.au. Our Household Removals Insurance claim forms can be printed from this site.

Significant benefits and features

Household Removals insurance protects your financial investment in your property during transit. Cover includes an extended transit period, from the 'floor' of one residence to the 'floor' of another, including storage in the normal course of transit.

Our policy conditions give you the option to either insure your property for loss or damage caused by:

- ▼ specified events including:
 - ▼ fire, flood, collision or overturning of the land conveyance;
 - ▼ fire, collision, crash or forced landing of the aircraft;
 - ▼ fire, collision, stranding, sinking or contact of the ship or vessel;

or

- ▼ all risks from any external cause including:
 - ▼ breakage, scratching, denting, chipping, bruising and the like, theft, pilferage and non-delivery.

The policy also provides, where the transit is by air or sea, automatic cover for salvage and general average contributions and loss or damage to property caused by war or warlike activities while on board the carrying vessel or aircraft.

Where you elect to store your property (other than storage incidental to the normal course of transit), you also have the option to extend the policy to cover this storage period. An additional premium will apply.

You can choose to insure your property for its current market value or for its new replacement cost (property up to 10 years old).

The policy does not have an excess. You can choose to reduce your premium by electing to have an excess applied to your policy, subject to a minimum excess of \$100.

When benefits are provided

These benefits for which you are insured under the policy are payable when:

- ▼ your application for insurance has been accepted;
- ▼ the premium has been paid;
- ▼ an insured event occurs during the period of insurance causing loss or damage to your property; and
- ▼ your claim is accepted by us.

When we pay a claim we consider a number of aspects in calculating the amount payable.

These can include:

- ▼ the amount of loss or damage;
- ▼ the excess (if any);
- ▼ the sum insured;
- ▼ the terms and conditions of the policy; and
- ▼ your taxable status for GST purposes.

The amount you pay for this insurance

The amount we charge you for this insurance policy is the total amount of the premium that we calculate to cover the risk plus any relevant government charges (such as stamp duty). This is the total amount payable shown on your schedule and is the amount you must pay. If you change your policy in any way you may be required to pay an additional premium.

How various factors affect your premium

We consider a number of factors in calculating your premium. The key factor that affects your premium is the type of cover and optional benefits you choose. If you select more extensive cover, for example cover for all risks and for extra storage, then your premium will be higher than if you select cover for specified events only.

The amount of premium that you pay will also depend on the information you give us about your property and the other factors listed below. These other factors include:

- ▼ whether you elect New Replacement Cost or Current Market Value sum insured;
- ▼ what type of property you are insuring eg: are there a high proportion of fragile items?;
- ▼ whether or not the goods are professionally packed;
- ▼ the length and method of transit;
- ▼ the level of excess you request.

Where we view most of these factors in combination as decreasing the risk, it tends to reduce the premium; and where we view most of these factors as increasing the risk, it tends to increase the premium.

The following table gives a guide on how some of these factors may impact on your premium.

Factor	Lower Risk	Higher Risk
Sum Insured	Current Market Value	New Replacement Cost
Type of property	Non-breakable items	Fragile items
Packing	Professionally packed	Owner-packed
Length and method of transit	Within Metropolitan area	Inter-state/Overseas
Level of excess	Excess applied	No excess

Important information

The insurance we offer you is set out in the policy.

It is important that you:

- ▼ read all of the policy before you buy it to make sure that it gives you the protection you need;
- ▼ are aware of the limits on the amounts we will pay you; and
- ▼ are aware of the policy definitions, exclusions and limitations.

For the policy limits:

- ▼ the total sum insured will be the amount specified in your schedule.

You should also retain any documentation that supports the description and value of the property insured. This will assist you in the event of a claim.

In some circumstances the terms and conditions of this policy may be amended by endorsement. If your policy is endorsed you will receive notification of the endorsement.

If you have purchased this insurance product through someone other than Vero, for example, a person who has authority from Vero to distribute Vero's insurance products, that person will receive remuneration from Vero for providing a financial service.

Significant risks

The risks associated with your Household Removals Insurance Cover include:

- ▼ Cover may not be adequate because the type or amount of cover you require does not match the cover provided by your policy. For example, you require cover for delay but this policy excludes this event.
- ▼ We can refuse to pay part or all of a claim if you do not comply with policy terms and conditions. For example, in applying for this insurance or when making a claim you are not truthful, or do not give us accurate and complete information, or do not tell us something when you should have.
- ▼ Average or coinsurance may apply if you do not insure the full value of your property. Please see the "Average or Coinsurance" section of the policy that details how this will affect your claim.

How to make a claim

If your property is lost or damaged during the transit or storage covered by this policy, there are certain actions that you should take to protect your rights and assist with any claim there may be under this policy. These are detailed in the "How to Make a Claim" section of the policy.

The amount you pay towards a claim

An excess is an amount you are required to pay in the event of a claim. This policy does not contain an excess. However, you can reduce your premium by choosing to have an excess, subject to a minimum excess of \$100 and acceptance by us. Your chosen excess will be shown in your schedule. We will subtract the excess you choose from the amount we pay in the event of a claim.

An example of how an insurance claim works

You have elected All Risks cover and New Replacement Cost for your five-year-old television and other property. The television is dropped and we agree to replace it. The New Replacement Cost is \$1,200. You have chosen a \$200 excess.

The total payable is \$1,200 less the \$200 excess, which equals \$1,000.

Taxation information

This insurance policy is subject to GST.

If you are registered for GST purposes, you may be able to claim an Input Tax Credit in respect of the GST we collect from you. For more information on GST please refer to the "GST settlement provisions" section of the policy.

The stamp duty laws vary in every state and territory in Australia. If stamp duty is payable on this insurance, the amount of stamp duty will be shown on your policy schedule.

If you are unsure about the taxation implications of your policy you should seek advice from your accountant or tax professional.

Cooling off

You have the right to cancel and return the insurance contract within 20 days of the date it was issued to you (the “cooling off period”) but not after commencement of cover under the policy.

If you cancel it in this time, we will return to you any premium you have paid us.

Code of practice

We have adopted the General Insurance Code of Practice developed by the Insurance Council of Australia. The Code is designed to promote good relations and good insurance practice between insurers, intermediaries and consumers. The Code sets out what we must do when dealing with you. Please contact us if you want more information about the Code (refer to the “How You Contact Us” section).

Resolving your complaints

If you think we have let you down in any way, or our service is not what you expect (even if through one of our representatives), please tell us so we can help.

You can tell us . . .

By phone

We will put you in contact with an appropriate person to deal with your complaint.

In writing

Please send us the full details of your complaint together with any supporting documents and an explanation of what you want us to do. Your letter will be directed to the appropriate person.

In person

If you would like to come in to talk to us at your local or State branch, please call and we will arrange an appointment for a meeting.

Please refer to the “How You Contact Us” section.

What we will do to resolve your complaint

When you first let us know about your complaint or concern:

- ▼ it will be handled by the person who has authority to deal with it; and
- ▼ this person will listen to you, consider the facts and contact you to resolve your complaint as soon as possible, usually within 24 hours.

If you are not satisfied with this person’s decision on your complaint, then it will be referred to the relevant Manager, who will contact you within 5 working days.

If you are not satisfied with the Manager’s decision, then it will be referred to our Head Office. We will send you our final decision within 15 working days from the date you first made your complaint.

What if you are not satisfied with our final decision?

We expect our procedures will deal fairly and promptly with your complaint. However, if you are not satisfied with our final decision you can choose to have the matter resolved externally – for example mediation, arbitration or legal action.

You can also raise your complaints directly with Insurance Ombudsman Service Limited (IOS). This is an independent body and its services are free to you. We agree to accept the IOS’s decision. Again, you have the right to take legal action if you disagree with the IOS’s decision.

You must contact the IOS within 3 months of receiving our final decision.

You can phone the IOS from anywhere in Australia on 1300 780 808 or write to them at:

Insurance Ombudsman Service Limited
PO Box 561
Collins Street West
Melbourne VIC 8007.

Privacy Statement

We respect your privacy

The Privacy Act 1988 (Cth) (as amended) now applies and requires us to inform you that:

Purpose of collection

We collect personal information (*this is information or an opinion about an individual whose identity is apparent or can reasonably be ascertained and which relates to a natural living person*) from or about you, for the purposes of:

- ▼ providing insurance services to you,
- ▼ evaluating your application for insurance,
- ▼ evaluating any request for amendment to any insurance provided,
- ▼ issuing, administering, and managing the insurance provided following acceptance of an application, and
- ▼ investigating and, if covered, managing claims made in relation to any insurance you have with us or other companies within the Promina Group.

The personal information collected can be used or disclosed by us for a secondary purpose related to those purposes listed above, but only if you would reasonably expect us to use or disclose the information for this secondary purpose. However for sensitive information, the secondary purpose must be directly related to the purposes listed above.

Disclosure

When necessary and in connection with the purposes listed above, we may disclose your personal information to, and/or receive personal information from,

- ▼ other companies within the Promina Group,
- ▼ your insurance intermediary or our agent,
- ▼ Government bodies, loss assessors, claims investigators, reinsurers,
- ▼ other insurance companies, mailing houses, claims reference providers, legal and other professional advisers
- ▼ other service providers, hospitals, medical and health professionals.

Consequences if information is not provided

If you do not provide us with the information we need we will be unable to consider your application for insurance cover, administer your policy or manage any claim under your policy.

Access

You can request access to the personal information by contacting Vero Insurance Limited.

In some circumstances we may not agree to allow you access to some or all of the personal information we hold such as when it is unlawful to give it to you. In such cases we will give you reasons for our decision.

Privacy Statement issued

Vero Insurance Limited, 465 Victoria Avenue, Chatswood, NSW 2067.

Duty of Disclosure

You have a legal duty of disclosure to us whenever you apply for, or change an insurance policy.

What you must tell us

You have a general duty to disclose to us everything that you know, or could reasonably be expected to know, is relevant to our decision whether to insure you, and, if we do, on what terms.

However, your duty does not require you to disclose anything:

- ▼ that reduces the risk to be undertaken by us,
- ▼ that is generally well known,
- ▼ that we know or, in the ordinary course of our business, ought to know, or
- ▼ in respect of which we have waived your duty.

Your general duty applies to renewals and changes

Your general duty applies in full when you renew an insurance policy or change an existing policy including when you extend or reinstate it.

Your general duty is limited for new policies

When you apply for a new policy your duty of disclosure applies, but you do not need to disclose something to us unless we specifically ask you about it. However, you must be honest in answering any questions we ask you. You have a legal duty to tell us anything you know, and which a reasonable person in your circumstances would include in answering the questions. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms.

Who needs to tell us

It is important that you understand you are disclosing to us and answering our questions for yourself and anyone else you want to be covered by the policy.

If you do not tell us

If you do not answer our questions honestly or do not properly disclose to us, we may reduce or refuse to pay a claim or may cancel the policy. If you act fraudulently in answering our questions or not disclosing to us, we may refuse to pay a claim or treat the policy as never having existed.

Household Removals Insurance (Domestic and Overseas)

Policy Wording

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Meanings of special words in this policy

In this policy certain words have special meanings. They have the same meanings wherever they appear. These words are:

“you” or “your” – means the insured named in the schedule.

“we” or “our” or “us” or “the insurer” – means Vero Insurance Limited ABN 48 005 297 807.

“excess” – means the amount you must pay towards a claim, as specified in the schedule.

“property” – means the property or interest specified in the policy schedule.

“insured transit” – means the transit or voyage specified in the policy schedule.

“sum insured” – means the sum insured specified in the schedule.

“policy” – means this policy wording, the current schedule, and any endorsement, all of which are to be read together.

“premium” – means the premium specified in the schedule and includes any Government charges specified in the schedule.

All the terms, conditions and limits of this insurance contract are set out in:

- ▼ this policy wording, and
- ▼ your schedule.

In this insurance contract between you and us:

- ▼ we agree to provide you with the insurance shown in your schedule, and in return,
- ▼ you agree to pay us your premium including any relevant government charges by the date advised to you.

You can claim for loss or damage to your property covered by this insurance only if:

- ▼ it is caused by a risk included in the cover option stated in your schedule and not excluded by this policy; and
- ▼ it occurs during the period of insurance.

We will then pay you according to the sum insured option set out in your schedule and our claims details contained in this policy wording.

The terms and conditions and limits apply if you have to make a claim – so it is important that you:

- ▼ read your policy and schedule carefully,
- ▼ check that your details on your schedule are correct and up to date,
- ▼ keep the policy wording and schedule together in a safe place.

Transit and storage

Cover commences from the time your property is lifted from the floor of your residence for the purpose of moving on to the conveying vehicle to commence the transit described in the schedule. Cover continues during the ordinary course of transit, including any storage incidental to the transit (up to a maximum of 30 days), and concludes when each item is placed on the floor at the destination nominated in your schedule.

There is no cover during any periods where you elect to store your property (other than storage incidental to the ordinary course of transit) unless you have requested such cover in your application and we have agreed to your request. If we do, the cover option you select for the transit will also apply during any agreed storage periods.

What Property is insured

This insurance covers the property you have described in your application. In your application, if you did not include a value against a category we do not insure that category of property. However we do not insure cash, banknotes, credit/debit cards or similar, stamp, coin, or other collections, jewellery, securities, or documents of value (even if they are described in your application).

Only the total sum insured will be shown in your schedule, however we will use the individual category values and any other special values shown in your application when settling any claims under this insurance.

Cover options

We hereby insure you for the cover option shown in your schedule. The cover options are:

1. Specified Events – loss or damage caused by:

- ▼ Fire, flood, collision of the conveyance or overturning of the conveyance on land.
- ▼ Fire, collision of the aircraft, crashing or forced landing of the aircraft.
- ▼ Impact to your property whilst on the conveyance with any object not on or part of the conveyance.
- ▼ Stranding, sinking, fire, collision or contact of the ship or vessel with any object other than water.

2. All Risks – meaning:

All risks of loss of or damage to the insured property from any external cause including breakage, scratching, denting, chipping, bruising and the like, theft, pilferage and non-delivery.

Automatic Extension to both Specified Events and All Risks covers for Shipments by Air or Sea

- ▼ General average or salvage payments you are required to make in the terms of your Bill of Lading or similar document.
- ▼ Loss or damage to your property as a result of an act of war, whether or not war has been declared. This war extension is limited to the period whilst your property is on board the ship, vessel or aircraft and does not cover any period when your property is on land.

Exclusions and other limitations

(applicable to both Specified Events and All Risks cover)

The Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause and the Transit and Terrorism Clause shall be paramount and shall override anything contained in this insurance inconsistent therewith. In the event of conflict between these two clauses, the Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause shall prevail.

Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause 10/11/03

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:

- ▼ ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- ▼ the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- ▼ any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- ▼ the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.

The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

- ▼ any chemical, biological, bio-chemical, or electromagnetic weapon.

Transit and Terrorism Clause

This policy excludes loss of or damage to the goods insured caused by terrorism except during the ordinary course of transit.

For the purposes of this insurance, "terrorism" means any act(s) of any person(s) or organisations(s) involving:

- ▼ the causing, occasioning or threatening of harm of whatever nature and by whatever means,
- ▼ putting the public or any section of the public in fear,

In circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

"Terrorism" shall also include steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived terrorism.

Other exclusions to both Specified Events and All Risks cover

We will not cover or pay you for loss, damage or expense caused directly or indirectly by:

- ▼ an intentional act by you or any person acting with your expressed or implied consent;
- ▼ an act of war, whether or not war has been declared, whilst your property is not on board a ship, vessel or aircraft;
- ▼ ordinary wear and tear;
- ▼ natural occurrences to the property;
- ▼ mould, moths, insects, rats or other vermin;
- ▼ electrical and/or mechanical and/or electronic failure to the item unless it is caused by visible external physical damage;
- ▼ delay, even if caused by an insured event;
- ▼ legal seizure of your property.

We also will not cover you for:

- ▼ loss or damage existing prior to this insurance commencing;
- ▼ loss of or the cost of reproducing or re-writing electronic or other data, records, photographs, film and the like;
- ▼ loss of use of your property or any other form of consequential loss;
- ▼ loss of tone of any musical instrument(s);
- ▼ reduction in value of antiques, paintings and works of art because of repairs.

Limitations to both Specified Events and All Risks covers

Excess

Excess means the amount you must pay towards a claim. We do not require you to pay any excess when we are settling your claims unless you have elected an excess in your application. If you have elected an excess the amount of the excess is shown in your schedule.

Pairs and Sets

Where any insured item(s) forming part of a pair or set is lost or damaged and cannot be repaired, we will not pay more than a proportionate part of the insured value of the pair or set. Where any item(s) has a special value as part of any set, such special value will be taken into account in the claim settlement.

Replacement

Whilst we will endeavour to match items being replaced with the same make and model as that lost or damaged beyond repair, this is often not possible. In such cases, we reserve the right to settle the loss by payment to you or replacement with the make and model having the nearest specifications to the original.

Living Plants or Animals

If living plants or animals are described in your application, they are insured, however cover is limited to "Specified Events" cover as detailed herein even if you elect "All Risks" cover.

How to make a claim

If your property is lost or damaged during the transit or storage covered by this policy, there are certain actions that you should take to protect your rights and assist with any claim there may be under this policy. These are:

- ▼ note details of any items lost or damaged on the consignment note before you sign same,
- ▼ as soon as possible, write to the carrier holding them responsible for the loss or damage,
- ▼ take all reasonable precautions to prevent any further loss or damage to your property,
- ▼ immediately notify us by phoning our toll-free number 1300-664201, advising details of your loss and your policy number. Please do this even if you have not unpacked all of your property,
- ▼ do not have any of your property repaired or replaced without our consent,
- ▼ complete and return our claim form as quickly as possible, include a copy of any inventory,
- ▼ co-operate with any surveyor that may be appointed,
- ▼ provide to us any invoices/documents proving the value of your property which may be lost or damaged.

How we will settle your claims

We will settle your claims based on the option shown in your schedule. The options are:

A. Current Value settlement

You have the option to insure your nominated property for current new replacement value less a reasonable allowance for age, condition, wear, tear and depreciation.

B. New Replacement Cost (up to 10 years old) settlement

(NOT AVAILABLE ON MOTOR VEHICLES)

You have the option to insure your nominated property (other than motor vehicles) which are no more than 10 years old for full new replacement cost. For any property, which is more than 10 years old, even if you selected new replacement cost option, you agree to insure such property for current value (see Option A above).

Average or coinsurance

If you do not insure your property for the full value as per the option you selected, what is known as coinsurance, under-insurance or average will apply. If you insure your property for less than 80% of its actual value, determined by using the sum insured option you have selected, you will only be entitled to recover the proportion of any claim that the sum insured bears to 80% of the actual value. An example of coinsurance, under-insurance or average is:

How we calculate your claim if average or coinsurance applies:

Based on the sum insured option you elect in your application, your property has an actual value of \$50,000. However, you only request us to insure your property for \$30,000. You submit a claim for \$1,000.

the insured value			<u>\$30,000</u>		
80% of the actual value of \$50,000			\$40,000		
the proportion you can claim is 75%	75%	x		\$1,000 (the claim) = \$750	(less any excess)

The balance of \$250 is not paid by us as you did not insure for the full value and did not pay us a premium for the underinsured proportion. You cannot elect to pay us this premium after a loss.

GST settlement provisions

Notwithstanding the payment provisions contained in this policy, we will pay you:

- ▼ where you **cannot** claim an input tax credit in respect of the cost of repairs or replacement to make good the loss, the amount(s) payable as detailed in the policy, including the amount of any Goods and Services Tax (GST) incurred to make good the loss, or
- ▼ where you **can** claim an input tax credit in respect of the cost of repairs or replacement to make good the loss, the amount(s) payable as detailed in this policy, less any input tax credits available to you or the third party in respect of the loss.

Policy issued by Vero Insurance Limited ABN 48 005 297 807

AFS Licence No. 230859

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